



**BellSouth Telecommunications, Inc.**

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September 5, 2000

REC'D TN  
REGULATORY AUTH.

Guy M. Hicks

General Counsel

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OFFICE OF THE  
EXECUTIVE SECRETARY

VIA HAND DELIVERY

David Waddell, Executive Secretary  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37238

Re: *Generic Docket to Establish UNE Prices for Line Sharing per FCC 99-355 and  
Riser Cable and Terminating Wire as Ordered in TRA Docket No. 98-00123*  
Docket No. 00-00544

Dear Mr. Waddell:

Enclosed are the original and thirteen copies of BellSouth Telecommunications, Inc.'s Supplemental Reply. Copies of the enclosed are being provided to counsel of record for all parties.

Very truly yours,

Guy M. Hicks

GMH:ch  
Enclosure

**BEFORE THE TENNESSEE REGULATORY AUTHORITY**  
**Nashville, Tennessee**

**In Re:**           *Generic Docket to Establish UNE Prices for Line Sharing per FCC 99-355 and Riser Cable and Terminating Wire as Ordered in TRA Docket No. 98-00123*

**Docket No. 00-00544**

**BELLSOUTH TELECOMMUNICATIONS, INC.'S SUPPLEMENTAL REPLY**

BellSouth Telecommunications, Inc. ("BellSouth") hereby files a Supplemental Reply in the above-styled proceeding to address one statement in the Data Coalition's pleading and one statement in the NEXTLINK/Time Warner pleading. First, the Data Coalition alleges that "without any explanation, BellSouth suggests that a 2-wire copper loop should be priced at \$270.01 nonrecurring when that exact same element is sold for \$133.85 nonrecurring in Florida." (Data Coalition Response, at 2). In support of its statement, the Data Coalition cites the Florida Amendment to the Agreement Between Bluestar Networks, Inc. and BellSouth Telecommunications, Inc., dated December 28, 1999 (the "Amendment"). A copy of the Amendment is attached hereto. What the Data Coalition fails to tell the Authority, however, is that the cited Amendment explicitly conditions the UCL rates in the Amendment upon the acceptance of the loop conditioning rates set forth in the Amendment. Specifically, the Amendment states as follows:

2.1.2.8.1       In exchange for the following interim NRC UCL rate in Florida, Bluestar agrees to the Loop Conditioning rates set forth below. Any CLEC adopting this amendment must

agree both to the NRC UCL and Loop Conditioning rates  
set forth in this amendment for the state of Florida.

(Amendment, at 1). To be entitled to the \$113.85 NRC for the UCL, therefore, a CLEC must also accept the loop conditioning rates in the Amendment which are *higher* than those proposed by BellSouth as interim rates in Tennessee.<sup>1</sup> While BellSouth certainly is willing to offer CLECs the BlueStar Florida UCL rates in Tennessee, such an offer would be contingent upon the CLECs accepting the higher BlueStar Florida loop conditioning rates. BellSouth's interim proposal in Tennessee, on the other hand, is based on the lowest stand-alone rates in the region and therefore the BlueStar Florida UCL rates were not applicable.

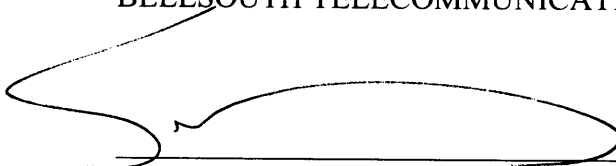
Second, NEXTLINK/Time Warner points out that the parties should not reargue rates in this proceeding that are already under consideration in the Authority's permanent pricing docket. (NEXTLINK/Time Warner, at 2). NEXTLINK/Time Warner's point has merit with respect to the 2-wire ISDN Digital Grade Loop (rate element A.5) that NEXTLINK/Time Warner references in its filing. Upon review, BellSouth agrees that the rates for the 2-wire ISDN loop should not be a part of this proceeding because such rates currently are being considered by the Authority in Docket No. 97-01262 and therefore need not be revisited here. Consequently, BellSouth hereby withdraws its proposed rates for the 2-wire ISDN loop. The Authority should, however, consider BellSouth's proposed interim rates for Universal Digital Channel (rate element A.5.6), an element which is offered under the heading of 2-wire ISDN Digital Grade Loop, because such element is not being addressed in the prior docket.

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<sup>1</sup> For example, in the BlueStar Amendment the interim loop conditioning NRC for a loop greater than 18 kft is \$775.00, while in the BellSouth Tennessee Interim proposal the NRC is \$710.71.

This 5<sup>th</sup> day of September, 2000.

BELLSOUTH TELECOMMUNICATIONS, INC.

A large, stylized handwritten signature in black ink, appearing to read "Guy M. Hicks", is written over a horizontal line.

Guy M. Hicks  
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(615) 214-6301

R. Douglas Lackey  
Bennett L. Ross  
675 W. Peachtree Street, Suite 4300  
Atlanta, Georgia 30375

**AMENDMENT TO THE  
AGREEMENT BETWEEN  
BLUESTAR NETWORKS, INC.  
AND BELL SOUTH TELECOMMUNICATIONS, INC.  
DATED DECEMBER 28, 1999  
(Florida)**

Pursuant to this Amendment, BlueStar Networks, Inc. ("BlueStar") and BellSouth Telecommunications, Inc. ("BellSouth"), hereinafter referred to individually as a "Party" or collectively as the "Parties," hereby amend that certain Interconnection Agreement between the Parties dated December 28, 1999 (the "Interconnection Agreement").

**WHEREAS**, the Parties entered into an Interconnection Agreement on December 28, 1999; and

**WHEREAS**, the Parties desire to amend that Interconnection Agreement.

**NOW THEREFORE**, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby covenant and agree as follows:

1. The Unbundled Copper Loop (UCL) rates and Loop Conditioning rates for Florida in the January 27, 2000 Amendment are hereby revised as follows:

2.1.2.8.1 The following rates for Florida are interim rates subject to true-up.

2.1.2.8.1 In exchange for the following interim NRC UCL rate in Florida, BlueStar agrees to the Loop Conditioning rates set forth below. Any CLEC adopting this amendment must agree to both the NRC UCL and Loop Conditioning rates set forth in this amendment for the state of Florida.

2-Wire Unbundled Copper Loop (18 kft. or less)	Florida
Recurring	\$18.00
Non-Recurring, 1 <sup>st</sup>	\$113.85
Non-Recurring, Add'l	\$99.61
Manual Svc. Order - 1 <sup>st</sup>	\$47.00
Manual Svc. Order - Add'l	\$21.00
Order Coordination	\$16.00

The UCL Rates listed above may be used for UCLs longer than 18kft. until a cost study is done for long UCLs (greater than 18kft).

**ORIGINAL**

Loop Conditioning	Florida
Remove Equipment < 18ft	
First Install	
Add'l Install	\$485.00
Remove Equipment > 18ft	\$25.00
First Install	
Add'l Install	\$775.00
First Disconnect	\$25.00
Add'l Disconnect	\$775.00
Remove Bridge Tap all	\$25.00
First Install	
Add'l Install	\$485.00
	\$20.00

The Loop Conditioning charges apply in addition to the UCL NRCs.  
All rates listed above are subject to true-up once final cost are determined.

The Parties agree that the prices reflected herein shall be "true-up" (up or down) based on final prices either determined by further agreement or by final order, including any appeals, in a proceeding involving BellSouth before the regulatory authority for the state in which the services are being performed or any other body having jurisdiction over this agreement, including the FCC. Under the "true-up" process, the price for each service shall be multiplied by the volume of that service purchased to arrive at the total interim amount paid for that service ("Total Interim Price"). The final price for that service shall be multiplied by the volume purchased to arrive at the total final amount due ("Total Final Price"). The Total Interim Price shall be compared with the Total Final Price. If the Total Final Price is more than the Total Interim Price, BlueStar shall pay the difference to BellSouth. If the Total Final Price is less than the Total Interim Price, BellSouth shall pay the difference to BlueStar. Each party shall keep its own records upon which a "true-up" can be based and any final payment from one party to the other shall be in an amount agreed upon by the Parties based on such records. In the event of any disagreement as between the records or the Parties regarding the amount of such "true-up," the Parties agree that such differences shall be resolved through arbitration.

2. This Amendment shall have an effective date of March 1, 2000.
3. All other provisions of the Interconnection Agreement dated December 28, 1999 shall remain in full force and effect.
4. Either or both of the Parties shall submit this Amendment to the appropriate Commission for approval subject to Section 252(e) of the Federal Telecommunications Act of 1996.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to the Interconnection Agreement be executed by their respective duly authorized representatives on the date indicated below.

BlueStar Networks, Inc.

By: Norton Cutler

Name: Norton Cutler

Title: General Counsel

Date: 3/1/00

BellSouth Telecommunications, Inc.

By: Jerry D. Hendry

Name: Jerry D. Hendry

Title: Sr. Director

Date: 3/1/00

## CERTIFICATE OF SERVICE

I hereby certify that on September 5, 2000, a copy of the foregoing document was served on the parties of record, via the method indicated:

- ☐ Hand
- ☒ Mail
- ☐ Facsimile
- ☐ Overnight

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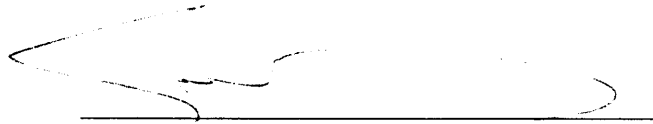
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